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for NORTH CENTRAL REGION

FROM the World War of 1914-18 and its aftermath sprang the farm problem of the 1920's and early 1930's. The American farmer, without machinery for adjusting farm output to consumer needs, was left to farm millions of unneeded acres when demand declined sharply after the war ended.

Today, a new European war rages while farmers make their plans for 1940, but the situation is much different from that of 25 years ago.

Through the AAA Farm Program, which they themselves administer, farmers are equipped to adjust to changes at home and abroad. Thus, they can lessen effects on this Nation of developments elsewhere in the world.

Essentially, the 1940 program is the same farm program that has served the American farmer through 1938 and 1939. These years have seen conservation practices carried out on additional millions of acres of land and new steps made toward adjustment to market needs following the 1936 and 1937 crop years when the program lacked adjustment features. At the same time abundant supplies of food and fiber have been maintained.

U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION
NORTH CENTRAL DIVISION



AAA Helps You Build Soil, Protect Price,

Every Farmer Can Participate

Every farmer can cooperate in the 1940 farm program. The county and community committeemen have a form called "The Farm Plan for Participation in 1940." It must be filled out and signed for each farm separately before planting time in order to qualify a farm for the program.

The average Corn Belt farmer can obtain these benefits:

- 1 Payments for adjusting the acreage of his special crops (corn in commercial corn counties, wheat in all counties, and tobacco, cotton, commercial potatoes, and commercial vegetables in some areas).
- 2 Parity payments on special crops to supplement his income.
- 3 Payments for remaining within his allotment for all soil-depleting crops (special crops plus general crops, such as barley, oats, and rye).
- 4 Payments to help him carry out soil-building practices on his farm.
- 5 Corn and wheat loans as authorized by the Agricultural Adjustment Act.
- 6 Federal crop insurance on his allotted acreage of wheat.

He Can Practice Conservation

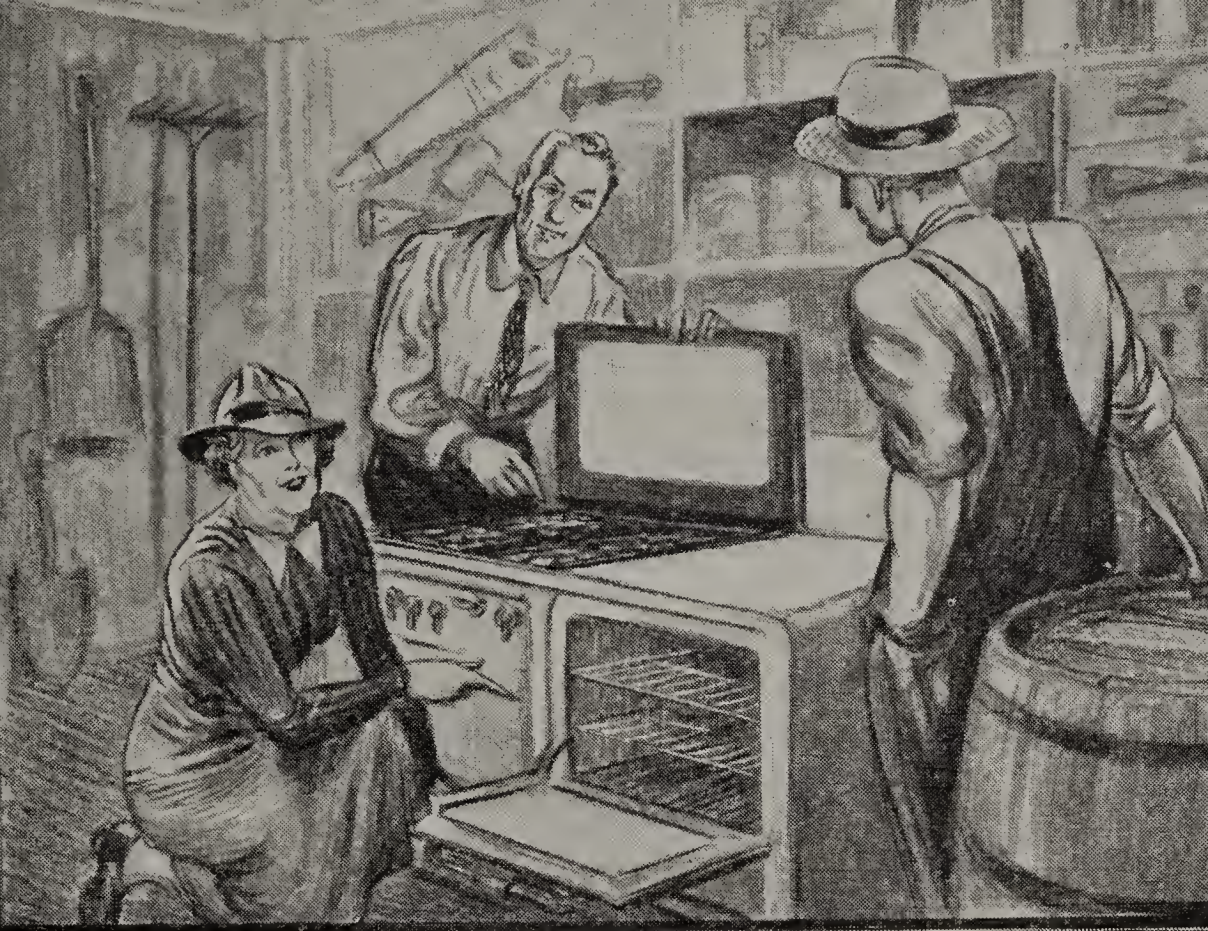
Soil-building practices and acreage adjustment are necessary to achieve soil conservation.

To protect the Nation's soil, a protective cover of grass or legumes is needed upon much of the land that has been eroded and depleted with crops for which markets have disappeared.

Acreage allotments and the Ever-Normal Granary serve as a protection against soil-wasting and low-priced surpluses. They enable farmers to work together to safeguard their incomes. If needed adjustments are made in acreages of surplus crops, the Ever-Normal Granary and new trends toward greater farming efficiency can help to improve incomes and conserve the soil.

Farmers can look upon the record corn carryover in 1939 as an accomplishment in building an Ever-Normal Granary. If foreign demand requires larger supplies or if crop failure comes, the Ever-Normal Granary will meet the situation well.

The determination of acreage allotments takes the carryover into account. It also takes into account world conditions, such as the present European war, that may have a bearing on the demand for U. S. agri-



tabilize Income

cultural products. A farm's acreage allotment is that farm's share of the national acreage allotment for a commodity. By adjusting to his allotments, a farmer is conserving the soil and protecting his income.

And Improve His Income Farmers translate improved incomes into a more comfortable living, which means better business for the small-town merchant.

Conservation Payments for Special Crops.—A farmer who plants within his special allotments, such as those for corn and wheat, earns payment at a specified rate per bushel times the normal yield of his allotment. Payment in 1940 will be 10 cents a bushel in the case of corn and 9 cents a bushel for wheat.

Conservation Payments for General Crops.—Soil-depleting crops for which no special allotments are established are classified as general crops. For each farm there is a total soil-depleting allotment, which includes the acreage for general crops and the allotments for special crops. A farmer who remains within his total allotment of soil-depleting crops may earn \$1.10 per acre, adjusted for the productivity of his farm, on the acreage available for general depleting crops.

Parity Payments.—Parity payments will be made on special crops at rates yet to be determined. Like conservation payments, they are made on the normal yield of the farm's allotment. These payments will be made only to farmers who plant within their allotments. The entire parity payment is lost in case the allotment is overplanted or in case the total of all special crop allotments is overplanted.

Loans.—Through the commodity loan program, a cooperating farmer can keep his surplus corn or wheat until it is needed. He is assured that his crop will have at least a minimum value at harvest time regardless of the farm market price. Corn loans are now available on the 1939 crop at 57 cents a bushel to any farmer who planted within his acreage allotment. They were made on the 1939 wheat crop as authorized by the Agricultural Adjustment Act. If a farmer plants within his special allotments, he will be eligible for 1940 loans.

Crop Insurance.—A farmer who does not exceed his wheat allotment is in position to obtain maximum benefits from the crop insurance program. Crop insurance provides protection for the production only on the acreage seeded within the farm's wheat allotment. The insured wheat grower protects his income by assuring himself of some wheat to sell, regardless of growing conditions.

Soil-Building Practices and Nondepleting Acres	Soil-Building Crops. —Each farm has an allowance that may be earned by carrying out soil-building practices. This equals 55 cents for each acre of cropland in the farm in excess of the total soil-depleting allotment, plus certain amounts for noncrop open pasture land, commercial orchards, restoration land, and commercial vegetable allotment. This total is the maximum amount the farmer may earn by carrying out soil-building practices, which he himself selects.
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These may include such practices as seeding alfalfa, red clover, timothy, or other legumes or grasses; applying lime or phosphates; terracing or farming on the contour as a protection against erosion; planting trees; and a wide variety of others adapted to the needs of various farming areas.

Under a new provision of the 1940 program a farmer who could otherwise earn less than \$20 under the program will be given an opportunity to earn a total payment for his farm of \$20 by carrying out additional soil-building practices.

Any farmer may earn \$30 by planting forest trees in addition to any other payments earned under the program. Credit for tree-planting is computed at the rate of \$7.50 per acre.

Nondepleting Acreage.—The farmer can use the land not planted to special or general crops for such purposes as growing soil-conserving crops for hay or pasture, harvesting grass or hay seed, plowing under green manure crops, growing certain emergency forages, and for summer fallow.

Special Provisions for Small Farms In addition to earning the increased soil-building and tree-planting allowances, the small farmer may have his farm classified as a non-allotment farm for certain crops if he so elects at the time he signs the Farm Plan.

For a farm with a corn or wheat allotment of less than 10 acres, the nonallotment provision will make it possible to produce up to 10 acres without deductions if the option is elected for the crop. However, payment will be made only at the general-crop rate, instead of at the rate for corn or wheat. The parity payment and loan for the crop will not be available for the farm.

The nongeneral allotment option is available for any farm with a total soil-depleting allotment of less than 20 acres. If this option is elected the farmer may use up to 20 acres for soil-depleting crops. The general crop payment will not be changed, but it will be earned by carrying out additional soil-building practices instead of by adjusting the general-crop acreage.

